equity jurisdiction. That a court of equity has no jurisdiction over a mere violation of a personal right, see *Burnett* v. *Craig*, 30 Ala. 135; *Bayer et al.* v. *Western Union Telegraph Co.*, 124 Fed. 246; 29 HARV. L. REV. 93; KERR, INJUNCTIONS (1st ed.), 1-2. Such violations are treated as a crime or past tort. The actions of defendant in the principal case amounted to an actionable wrong. *Blumenthal* v. *Shaw*, 77 Fed. 954, 23 C. C. A. 590; *Willis* v. *Muscogee Mfg. Co.*, 120 Ga. 597, 48 S. E. 177; *New Cement Gun Co.* v. *McGivern*, 218 Mass. 198, 105 N. E. 885. Such actionable wrong may be the subject of injunction only when it involves a violation of a pecuniary or property right along with the violation of the personal right. *In re Debs*, 158 U. S. 564, 15 S. Ct. 900; *Flacous* v. *Smith*, 199 Pa. St. 128, 48 Atl. 894. The court in the principal case decided either that the right involved was a property right or that the nature of the right went to the court's discretion rather than to its jurisdiction. On whichever ground, this case illustrates the trend of modern decisions in extending the scope of the preventive remedies of equity.

INSURANCE—EFFECT OF FRAUD ON WAIVER OF CONDITION.—The local councilor of the defendant mutual benefit life insurance company persuaded A a bartender, to drop his other insurance and insure in the defendant company. A knew that by the by-laws of the association bartenders were prohibited from membership, but following the advice of the local councilor he applied as a "lunch-room man." The application was accepted, the policy issued and the premiums paid. The laws of the company incorporated in the policy provided that no waiver of a condition could be made by the local lodge or members. A died and his wife sued on the policy. *Held*, that the action of A and the councilor amounted to a fraud on the company and that the doctrine of waiver by act of the agent would not apply, and recovery was denied. *Klein* v. *Supreme Council of Loyal Assn.* (1915), 155 N. Y. Supp. 580.

The New York courts adhere to the doctrine that a breach of a condition in a policy may, at the inception of the policy, be waived by the general agent who delivers the policy with knowledge of the breach of condition, even though the policy contain a provision that no such waiver may be made by the agent. *Wood* v. *Am. Ins. Co.*, 149 N. Y. 382; *Stewart* v. *Union Met. Life Ins. Co.*, 155 N. Y. 257; *Skinner* v. *Norman*, 165 N. Y. 565. The contrary view is generally regarded as the weight of authority, holding that the agent is prevented from waiving by reason of the provision of the contract, where the insured has knowledge of the restriction. *Northern Assur. Co.* v. *Grand View Bldg. Assn.*, 183 U. S. 308; *Loeffler* v. *Modern Woodmen of Am.*, 100 Wis. 79; *Ellerbe* v. *Faust*, 119 Mo. 653; *Lippman* v. *Aetna Ins. Co.*, 108 Ga. 391; *Phoenix Ins. Co.* v. *Maxson*, 42 Ill. App. 164; *Mallory* v. *Metropolitan Life Ins. Co.*, 97 Mich. 416. The principal case is distinguished from the previous New York decisions on the ground that the insured knew of the restriction, and that his act, under the direction of the agent, was a deceit upon insurer, and so placed the insured in such a position that he could not claim the benefit of the waiver,

inasmuch as the doctrine of waiver rests on the principle that innocent third parties should be protected. MAY, INSURANCE, 133b. The agent knew of the falsity, and in giving the policy acted outside the scope of his authority and in derogation of the right of his principal to his loyalty. The applicant must know the extent of the authority of the agent, and in such a case must be presumed to know that the agent is committing a fraud upon his principal by accepting what he knew to be a false representation. See *Galbraith* v. *Arlington Ins. Co.,* 12 Bush (Ky.) 29; *Hansen* v. *Amer. Ins. Co.,* 57 Iowa 741, where the same doctrine has been applied, there the fraud consisted of misrepresentation as to health and the use to which a building was put.

INSURANCE—VALIDITY OF CONTRACT.—X insurance company, doing business in Arkansas, issued a policy to Y, the policy being issued in Alabama, and valid there, but opposed to an Arkansas statute which forbade under penalty any company doing business in that state allowing an agent outside the state to issue policies on property situated in the state. After the property was destroyed by fire the surety company which signed the bond of X company was sued on the policy, and the contract was *held* enforceable by comity, despite the Arkansas statute, and the surety company was held for the amount of the policy. *Mass. Bonding & Ins. Co.* v. *Home Life & Accident Co. et al.* (Ark., 1915), 178 S. W. 314.

The weight of authority sustains the validity of the contract. *Lamb* v. *Bouser,* 14 Fed. Cas. 983; *State Mut. Fire Ins. Co.* v. *Brinkley Stave & Heading Co.,* 61 Ark. 1; *Conn. River Mut. Fire Ins. Co.* v. *Way,* 62 N. H. 622; *Hartford Steam Boiler Inspection & Ins. Co.* v. *Lasher Stocking Co.,* 66 Vt. 439; *French* v. *People,* 6 Colo. App. 311; *Columbia Fire Ins. Co.* v. *Kinyon,* 37 N. J. Law 33; *Northampton Mut. Live Stock Ins. Co.* v. *Tuttle,* 40 N. J. Law 476. Although the contrary doctrine is enforced in several states on the ground of public policy. *Rose* v. *Kimberly & Clark Co.,* 89 Wis. 545; *Buell* v. *Breese Mill & Grain Co.,* 65 Ill. App. 271; *Swing* v. *Munson,* 191 Pa. 582; *Cowan* v. *London Assur. Corp.,* 73 Miss. 321. The principal case rests the liability of the surety company on the ground that the penalty shows a manifestation of the legislature's purpose that the penalty should be exclusive of all the consequences of non-compliance. The contract in itself is innocent, and the statute does not assume to forbid such contracts, or to make them invalid without such compliance either to the corporation or to the policy holder. Thus the surety company becomes liable because its bond is conditioned on the prompt payment of losses arising by virtue of any policy on property within the state; to hold otherwise would be to say that the surety might be released from performance of its contract according to its terms, for the reason that the insurance company had failed to perform a duty that it owed to the state at large, but the non-performance of which could result in no prejudice to the surety company. The dissenting opinion claims that the surety cannot be held liable, as it is presumed that the surety in contracting, contemplated liability only on lawful transactions and such as could be reasonably anticipated,